



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 10, 1999

### **H.R. 364**

### **Veterans Employment and Training Bill of Rights Act of 1999**

*As introduced on January 19, 1999*

#### **SUMMARY**

Enacting H.R. 364 would cost \$1 million in 2000 and \$5 million over the 2000-2004 period, subject to the availability of appropriations. The bill would make several small changes to laws governing veterans' training and employment rights and would authorize a transfer of 10 full-time positions between offices within the Department of Labor. In addition, the bill would subject the federal government to payment of damages for failure to comply with the provisions of this bill relating to veterans' preference in job training programs and in federal contracts and grants. Because paying such damages could affect spending, the bill would be subject to pay-as-you-go procedures. Any such costs, however, would not be significant.

Section 4 of the Unfunded Mandates Reform Act (UMRA) excludes from application of the act any legislative proposals that enforce the constitutional rights of individuals. That exclusion applies to certain provisions of H.R. 364. Any costs to state, local, or tribal governments arising from other provisions of this bill would be incurred voluntarily. H.R. 364 would impose no new private-sector mandates as defined in UMRA.

#### **ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of H.R. 364 is shown in the following table.

The costs of this legislation fall within budget functions 500 (education, training, employment, and social services).

	By Fiscal Year, in Millions of Dollars					
	1999	2000	2001	2002	2003	2004
<b>SPENDING SUBJECT TO APPROPRIATION</b>						
<b>With Adjustments for Inflation</b>						
Spending by the Veterans Employment and Training Service						
Budget Authority	183	186	191	194	199	203
Estimated Outlays	183	186	190	194	198	202
Proposed Changes						
Estimated Authorization Levels	a	1	1	1	1	1
Estimated Outlays	a	1	1	1	1	1
Spending Under H.R. 364						
Estimated Authorization Level	183	187	192	195	200	204
Estimated Outlays	183	187	191	195	199	203
<b>Without Adjustments for Inflation</b>						
Spending by the Veterans Employment and Training Service						
Budget Authority	183	183	183	183	183	183
Estimated Outlays	183	183	183	183	183	183
Proposed Changes						
Estimated Authorization Levels	a	1	1	1	1	1
Estimated Outlays	a	1	1	1	1	1
Spending Under H.R. 364						
Estimated Authorization Levels	183	184	184	184	184	184
Estimated Outlays	183	184	184	184	184	184
a. Less than \$500,000.						
Components may not sum to totals due to rounding.						

## BASIS OF ESTIMATE

### Spending Subject to Appropriation

H.R. 364 would authorize 10 additional positions for the Veterans Employment and Training Service to carry out job counseling and employment services for veterans, as well as to handle investigations and other administrative tasks that may arise due to enactment of the bill. CBO estimates that these additional positions would cost approximately \$1 million a year.

## **PAY-AS-YOU-GO CONSIDERATIONS**

H.R. 364 would subject the federal government to payment of damages if it fails to grant a veterans' preference in federally administered training programs or if it fails to include a provision in federal contracts or grants that would require the contractor to take affirmative action in hiring veterans. CBO estimates that this provision would not have a significant cost to the federal government. Because the provision could affect direct spending if discretionary appropriations were not available, pay-as-you-go procedures would apply.

## **INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

CBO has determined that certain provisions of H.R. 364 would be excluded from mandate consideration under section 4 of UMRA because they would enforce the constitutional rights of individuals. These excluded provisions would waive state statutes of limitation and establish a process for veterans to sue state and local governments.

State and local governments that participate in federally-funded workforce development programs may incur costs in complying with the requirements of section 2. These costs would be incurred voluntarily, as a condition of federal aid.

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